DoD EVM Policy Update
February 6, 2019

Mr. John McGregor
Deputy Director for EVM
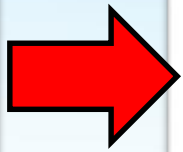Acquisition Analytics and Policy
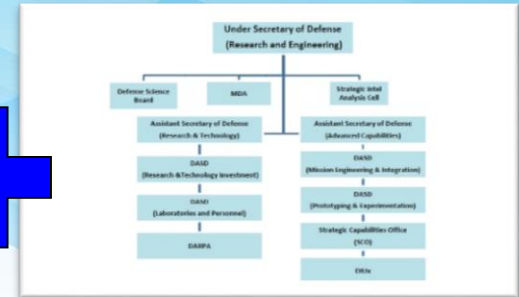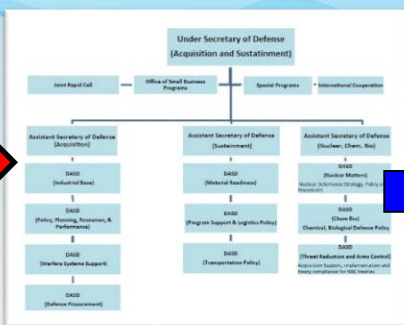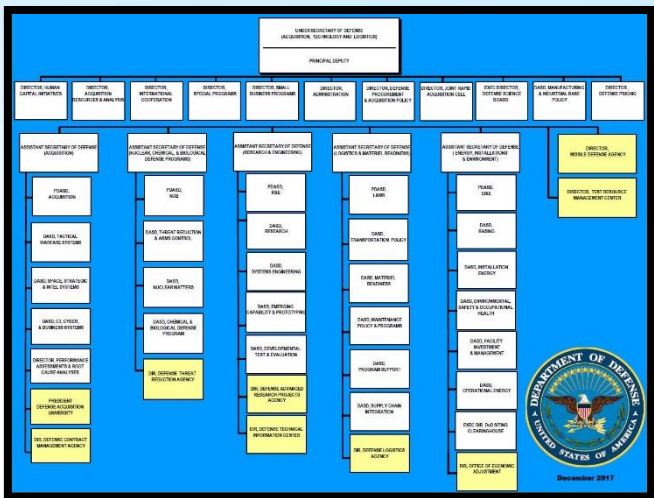
▶ **Topics to be Discussed**

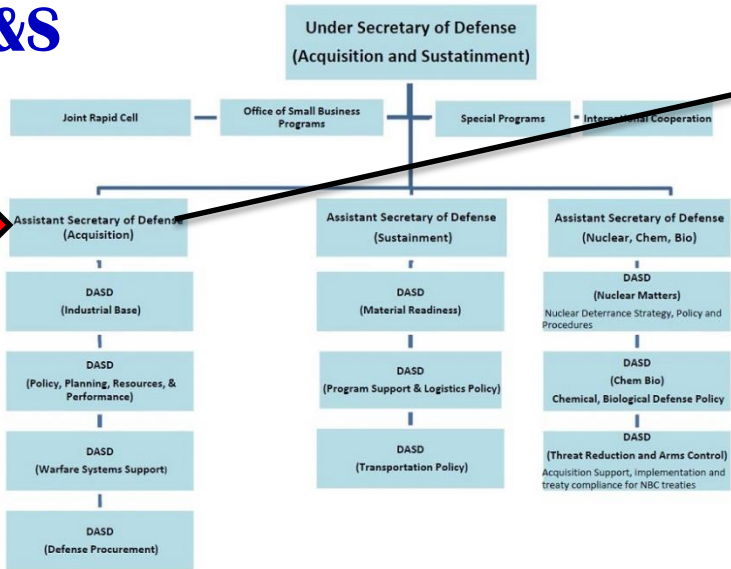- Organization Changes
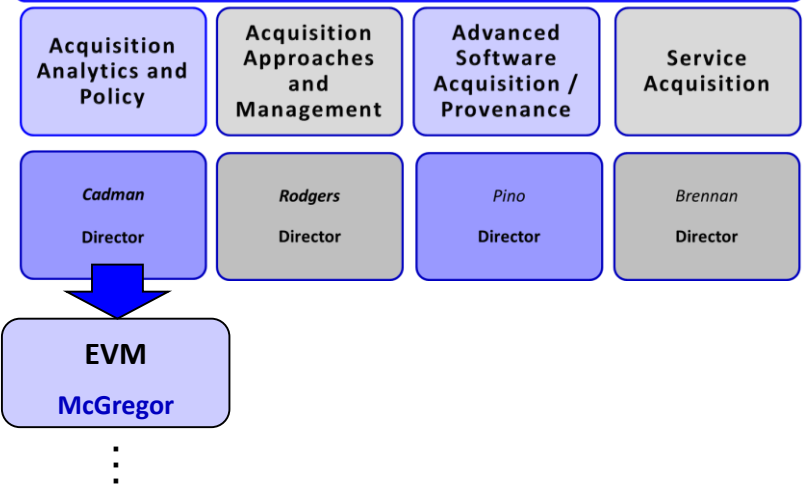
- EVM Policy Initiatives

- Questions

AT&L Re-Organization

Acquisition Enablers Organization

Acquisition Enablers
Mr. David Cadman, **Performing the duties of Director**

Acquisition Analytics and Policy	Acquisition Approaches and Management	Advanced Software Acquisition / Provenance	Service Acquisition
Cadman **Director**	*Rodgers* **Director**	*Pino* **Director**	*Brennan* **Director**

Acquisition Enablers Mission: Ensure robust, secure, resilient, and innovative acquisition capabilities upon which the Department of Defense can rely in an era of great power competition to fulfill current and future Warfighter requirements.

EVM Division Authorities

EVM, as a management discipline for making decisions, depends on governing the entire EVM value stream from Contractor to Government analyst

EVM Policy and Guidance	Communications and Outreach	Program Interface	EVM Central Repository (CR)	EVM Functional Leadership
• Develop, publish, and maintain DoD *policy and guidance on Earned Value Management* application and reporting	• *Inform Government and Industry* stakeholders on EVM policy, reporting, and competency matters	• *EVM applicability determination*; assist programs with EVM use and reporting; Resolve interpretive differences in EVM policy	• Manage the *EVM-CR as the authoritative EVM data source* for ACAT 1 programs; Maintain data governance for EVM data	• Serve as DoD *EVM Funct. Lead*; Develop and maintain competency model; Guide training, education, and skills for the workforce

"To be successful, EVM practices and competencies must be integrated into the program manager's acquisition planning and execution processes"

- *PARCA Authorities Memo, Aug 2011*
- ***Now part of Acquisition Analytics and Policy***

▶ **Strategic partnerships across the EVM Value Stream**

Our Mission Has Not Changed!

Working across DoD Services/Agencies, Federal Agencies, and Industry to facilitate the effectiveness of EVM for joint situational awareness and program decision making

▶ **DoD Goal:** Enhance organizational acquisition decision making and improve acquisition outcomes

- **Data Analytics:** Focus on data analysis to inform acquisition decisions, policymaking, program management, evaluation, and learning

  - NDAA 2018 Section 913 directs Secretary to establish a set of activities that use data analysis, measurement, and other evaluation-related methods to improve acquisition outcomes of the DoD and enhance organizational learning

- **Authority Delegation:** Delegate Milestone Decision Authority to the lowest appropriate level

- **Accountability:** Establishment of cost, schedule, and performance goals for Major Defense Acquisition Programs before funds are obligated; if goals breached, program must be re-established

- **Adaptive Acquisition Approaches:** Tailorable traditional acquisition; "Middle Tier" programs for rapid prototype and fielding; urgent operational needs; Services; Defense Business Systems

DoD EVM Policy
EVM Policy Initiatives

New EVM Website launched 1/25/2019

- EVM Policy & Guidance
- Current Initiatives
- DID & Standards
- Guides
- FAQ

EVM-CR Coming Soon!

- EVM-CR Access Point
- User Resources
- IPMR Tools
- Emerging Guidance

https://www.acq.osd.mil/evm/

▶ **DoD EVMIG provides guidance for the application and execution of EVM in the Department**

- Involved Government and Industry stakeholders across EVM community

- Provides a description of EVMS concepts, as well as, guidance for implementing EVM in the DoD

- Published January 2019

DEPARTMENT OF DEFENSE
EARNED VALUE MANAGEMENT IMPLEMENTATION GUIDE (EVMIG)

JOHN S. MCGREGOR
Deputy Director, Earned Value Management
Acquisition Analytics and Policy

OUSD A&S (AE/AAP)
January 18, 2019
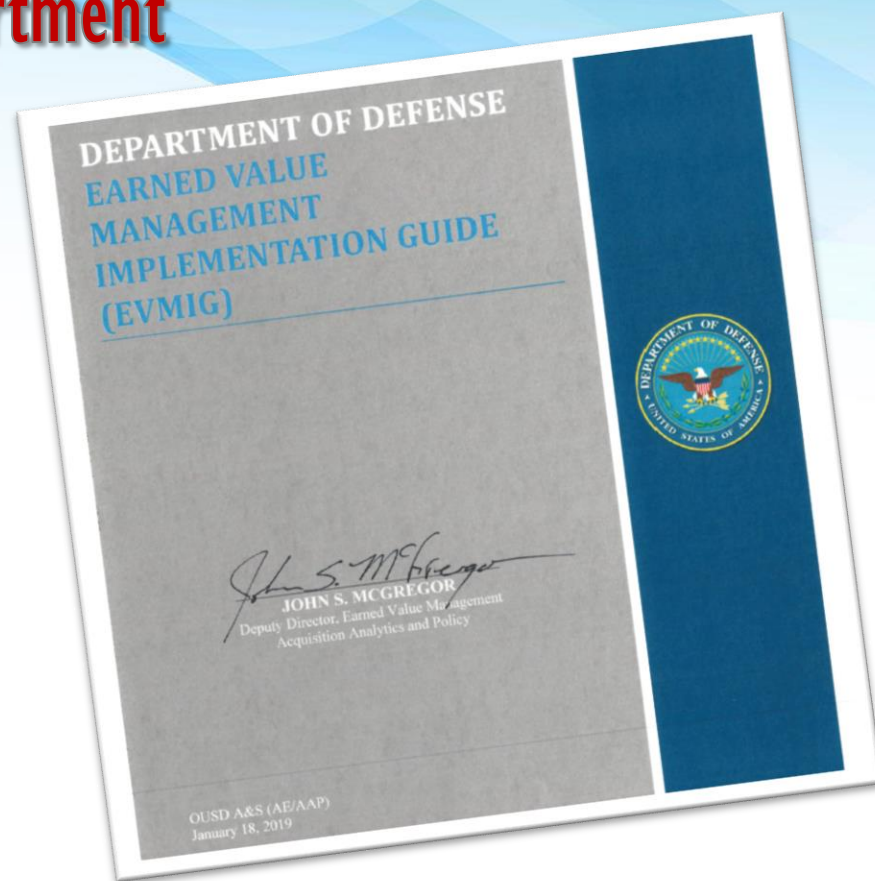
▶ **DoD EVMSIG is used as the basis for the DoD to assess compliance to the 32 EVMS Guidelines**

- Involved Government and Industry stakeholders across EVM and compliance communities

- Changes
  - Clearinghouse request
  - GL 6 graphic MRP/ERP
  - Formula and glossary item for material cost variance
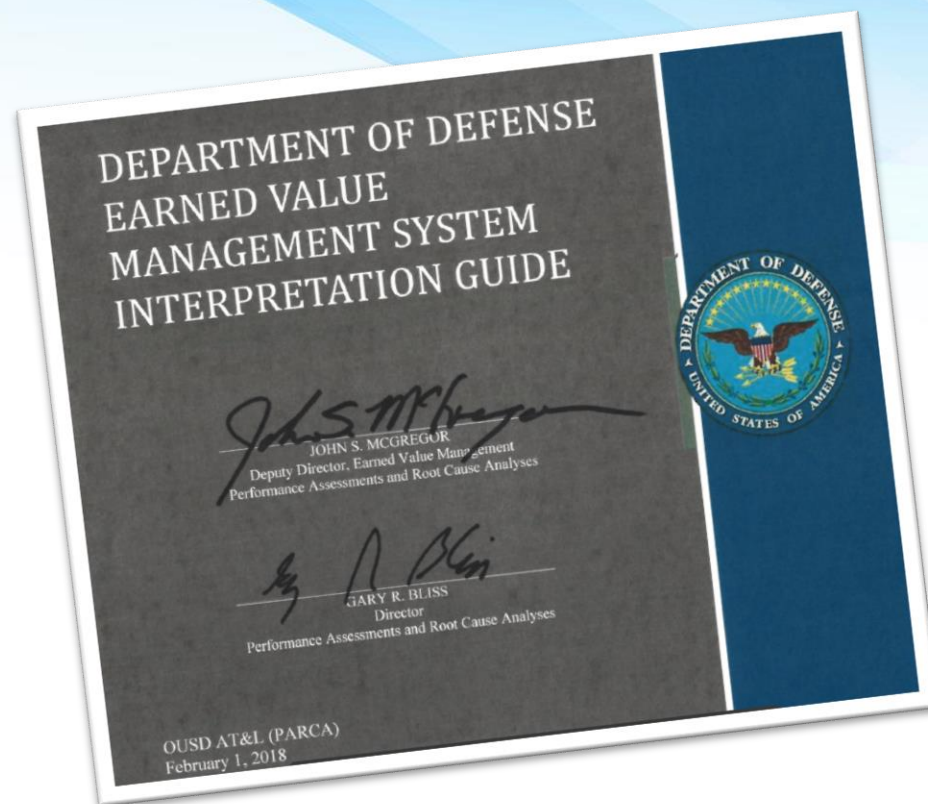
▶ **Goal is to reduce time to receive actionable data and have the right conversations**

▶ **IPMR Update Next Steps**

- Resolve final items and revise DID language as needed

- Collect and adjudicate comments

- Technical infrastructure development and testing

- Release IPMR DID

  - Complete DoD policy publication process/public review and comment

  - Adjudicate comments

  - Publish final DID

Moving toward phased delivery of IPMR delivery requirements to facilitate earlier situational awareness and discussion

▶ **Continuing iterations on Agile and EVM PM Desk Guide**

- Collaborating with DoD Agile pilot team to collect/share best practices on Agile pilot programs

- Identify methods for managing cost and schedule on programs using Agile development methodologies
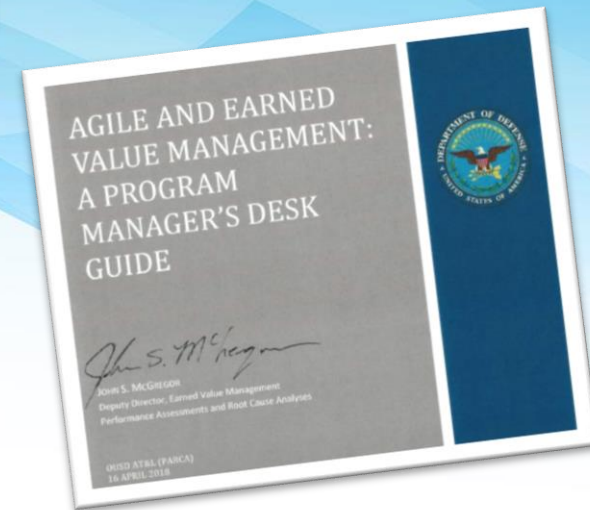
AGILE AND EARNED VALUE MANAGEMENT: A PROGRAM MANAGER'S DESK GUIDE

John S. McGregor
Deputy Director, Earned Value Management
Performance Assessments and Root Cause Analysis

OUSD AT&L (PARCA)
16 APRIL 2018

A resource for DoD personnel who encounter programs on which Agile philosophies and Earned Value Management are applied

"EVM is not tied to any specific development methodology and does not prevent the use of other risk management techniques such as agile development. EVM and agile development are complementary and can be used on the same project. Agile development can be used to incrementally deliver functionality to the customer while EVM provides a standard method for measuring progress." -- OMB Circular A-11

https://www.acq.osd.mil/evm/resources/Agile_EVM_Home.shtml

Have the Conversation...

❑ What Buying?

❑ How Buying?

❑ How Manage?

Regardless of acquisition approach

... Traditional Acquisitions

... Middle Tier Acquisitions

... Other Transaction Authorities

... Agile Development Methods

Are there any questions?

Questions Contact Us

EVM Website:
http://www.acq.osd.mil/evm/

EVM Email:
osd.dodevm@mail.mil

AEP Program

Acquisition Exchange Program (AEP) provides a unique career-development experience for high-caliber Government civilians or military personnel interested in acquisition and/or EVM.

http://www.acq.osd.mil/evm/aep.program.html

Back-up
Just in Case

Agile
Agile Pilot Engagement

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Agile Pilot Outreach Objective

▶ Work with the 873 and 874 pilot programs, as appropriate

- Understand Agile technical mangement best practices and lessons learned
- Understand use of and applicability of DevSecOps to DoD programs

▶ Approach: Develop and Execute a Pilot Engagement Strategy

- Outreach to Pilot Programs
  - Provide guidance/solutions
  - Trusted agent
  - Non-interference basis
  - Collect best practices/artifacts
  - Focus on specific objectives
  - Establish regular cadence
- Develop a Community of Practice
- Conduct series of Town Hall Collaboration Forums

PROBLEM STATEMENT:

How does the DoD manage cost, schedule, and technical performance for a program using Agile development methods and demonstrate the value proposition for a capability?

Process

- What are the program's process/tools for program management/execution?
- What is the program's process for incremental development/delivery?
- How are decisions made and who has decision authority (i.e priorities, changes)?
- How does the program contract for work?

Workforce Management

- What are the program's team creation and management practices (i.e. hiring, retention)
- How are the proper skill sets identified/executed (i.e. competency, quality)?

Reporting/Metrics

- What is the level of metric assignment (i.e. epic/feature/story)?
- What metrics or reports are used internally/provided to management and delivered to customer?
- How does the team communicate progress or completion of a capability?

‣ **Technical**

- How is the user involved in requirements reviews, development, and test?

- How is Minimum Viable Product (MVP) identified and mapped into capabilities?

- What technical reviews are used (i.e PDR, CDR)?

- What is the timing of the technical reviews?

- What are the artifacts for/from the technical reviews (i.e. System and SW Specifications, SW Architecture Documentation)?

- How is integrated testing completed?

- How is security integrated into the development process and capabilities?

- How are Estimates at Completion (EACs) developed and at what level?

- What tools are used to track progress/completion of work against contractual requirements (i.e development environment)?

- How do technical tools feed program management tools/reporting?

Create a tool kit for managing cost, schedule, technical performance

▸ **Provide best practices/artifacts for the following (Tool Kit)**

- Contracting language

- Scope definition and work organization

- Planning, scheduling, budgeting

- Tracking costs

- Analysis and management reporting

- Change management

Agile Initiative Notional Schedule

Agile Initiative Notional Schedule